

PROCEEDINGS OF THE BROWN COUNTY
ADMINISTRATION COMMITTEE

Pursuant to Section 19.84 Wis. Stats., a regular meeting of the **Brown County Administration Committee** was held on Thursday, September 25, 2014 in Room 200, Northern Building, 305 E. Walnut Street, Green Bay, Wisconsin.

Present: Chair Fewell, Supervisor Schadewald, Supervisor De Wane, Supervisor Jamir
Excused: Supervisor Steffen
Also Present: Chad Weininger, Brent Miller, Kevin Raye, Paul Gazdik, Juliana Ruenzel, Maria Lasecki, Sandy Juno

I. Call to Order.

The meeting was called to order by Chair Steve Fewell at 5:35 p.m.

II. Approve/Modify Agenda.

Motion made by Supervisor De Wane, seconded by Supervisor Jamir to approve. Vote taken.
MOTION CARRIED UNANIMOUSLY

III. Approve/Modify Minutes of August 28, 2014.

Motion made by Supervisor De Wane, seconded by Supervisor Jamir to approve. Vote taken.
MOTION CARRIED UNANIMOUSLY

Comments from the Public. None.

1. Review minutes of:

a) Brown County Housing Authority (August 18, 2014).

Motion made by Supervisor De Wane, seconded by Supervisor Schadewald to receive and place on file. Vote taken. MOTION CARRIED UNANIMOUSLY

Communications

- 2. Communication from County Board Chairman Moynihan re: Conducting County Business by use of electronic capabilities. *August Motion: To refer communication and information gathered thus far to Technology Services for the purpose of presenting a report to this Committee regarding costs and savings.***

Network Support Manager Kevin Raye indicated that TS Director August Neverman had provided Chair Moynihan with costs and figures with regard to this communication however, Chair Moynihan was unable to attend this meeting.

Motion made by Supervisor De Wane, seconded by Supervisor Schadewald to hold for one month. Vote taken. MOTION CARRIED UNANIMOUSLY

Technology Services

3. Director's Report.

Motion made by Supervisor De Wane, seconded by Supervisor Schadewald to receive and place on file. Vote taken. MOTION CARRIED UNANIMOUSLY

Human Resources

4. Budget Status Financial Report for August, 2014.

Motion made by Supervisor De Wane, seconded by Supervisor Schadewald to receive and place on file. Vote taken. MOTION CARRIED UNANIMOUSLY

5. Activity Report for August, 2014.

Motion made by Supervisor De Wane, seconded by Supervisor Schadewald to receive and place on file. Vote taken. MOTION CARRIED UNANIMOUSLY

6. Director's Report.

Director of Human Resources Brent Miller reported that presentations by M3 are currently being held. He also noted that personal health assessments will begin on October 1 and there are a number of dates for employees to choose from for their assessments.

Miller continued that Human Resources is currently RFPing the EAP services as this has not been done in many, many years. Miller also noted that there is an RFP going on right now for the flex spending which is for the third party administrator to pay the claims. This RFP will be done shortly and Miller will keep the Committee advised of the results.

Miller concluded his report by discussing the Wisconsin Deferred Compensation program. This is a benefit that he would like to present to the employees of Brown County. The County currently offers Nationwide, but the cost difference between Wisconsin Deferred Compensation and Nationwide is astronomical. Miller stated that with Nationwide you have to pay 20, 40 or 60 points per thousand. He noted that the people at Wisconsin Deferred Compensation do not work on commission and also noted that this program is offered by a number of municipalities and school districts and he would like to see this offered to Brown County employees.

Corporation Counsel Juliana Ruenzel stated that there would be no cost impact or appropriation to the County and therefore the administration can make the decision on this. She felt that Miller shared this with the Committee for informational purposes. Fewell asked if the health package has already been approved and Miller responded that it will be approved on the Board floor.

Schadewald stated that he would definitely recommend moving forward with the Wisconsin Deferred Compensation program and offering this to the employees as an option. Miller agreed and reiterated that there would be no cost to the employees.

Motion made by Supervisor De Wane, seconded by Supervisor Schadewald to receive and place on file. Vote taken. MOTION CARRIED UNANIMOUSLY

County Clerk

7. Budget Status Financial Report for August, 2014.

Motion made by Supervisor Schadewald, seconded by Supervisor Jamir to receive and place on file. Vote taken. MOTION CARRIED UNANIMOUSLY

8. Resolution to Assess a Charge for Data Entry of Dog Licenses. *August Motion: To refer back to staff until the next meeting for Corporation Counsel to provide specific response to the Committee in writing; also referred from September County Board.*

Supervisor Jamir indicated that he had had a conversation with Supervisor Steffen regarding this and from that conversation it was his understanding that the current software that the County has

cannot export or import a simple spreadsheet such as Excel which is what the Village of Howard uses. County Clerk Sandy Juno responded that the software was obtained through a vendor and is not something that was created by Brown County and she did not know what the upload and download capabilities are. Ruenzel added that Technology Services Director August Neverman indicated that the program may be able to be altered to accept imported data however it may be cost prohibitive to do so. Jamir stated that he brings this up because Microsoft Excel has a spreadsheet that is fairly industry standard and he would question if the County has the most appropriate software application if it cannot export or import to that format. He stated that Microsoft is a standard platform and he felt that the Village of Howard and Green Bay probably use that format. Juno stated that the program is designed for information to be entered into the database at the point of sale and generate receipts at that time. Juno continued that the City of Green Bay and Village of Howard have chosen to stay with the system they currently use as they do not want to change and the bottom line is that the information needs to be entered into the system. Jamir asked if Juno has been told flat out by the City of Green Bay and the Village of Howard that they did not want to change and Juno stated that that was the impression she got. Jamir stated he was open to working with the Village of Howard and City of Green Bay to come up with a system to use whereby they could import data into the County system.

Ruenzel reiterated that Neverman felt there may be a possibility that the current software could be modified however, this would require the writing of an additional program. She continued that in speaking with Paul Evert, Administrator of the Village of Howard, she was advised verbally that Howard has no intention of using the County software and further, Evert did not agree that the Village has a requirement to do so. While Ruenzel agreed with this, she was also advised that Howard has a system that takes care of all of their other licensings and fees and it works fine. Ruenzel stated that the form for the licenses comes from the State and that form has the information that the County program asks for, but in a different format. The only thing that is required by the municipality is to use the State form that is supplied by the County Clerk.

Schadewald stated that Juno has done her due diligence and so has Ruenzel and sometimes things do not change until it gets to this point. He felt if the County allows municipalities to do the dog licenses in different ways it will give the municipalities the feeling that they can perform other activities in their own way as well with no consistency across the board. Schadewald stated that he would support this resolution to make everything consistent. Juno stated that this is comparable to what is done with elections. She noted that all municipalities now are on the same software and use the same equipment to gather information. This dog license situation is similar in that the Clerk is not saying that they have to use the program, but in order for the Clerk to gather the data and run the program accurately, all information has to be in the system. She continued that she did not feel that general funds should be used to pay the labor costs of her department in entering the data for the municipalities that choose not to use the system because there is a dog license fiduciary fund where those expenses should be coming out of and that is what this resolution does. It moves the funds out of the dog fiduciary fund and puts it into the County Clerk's budget.

Schadewald asked if Juno's hope was that all municipalities would use the program. Juno noted that there are only two municipalities that do not use the system, and if they choose not to enter into the system, then the work needs to be done by her office. Schadewald stated that the municipalities that we are talking about are the two largest municipalities and Juno agreed. Jamir stated his understanding was that those two municipalities have the information necessary, however, it is just in a different format and Juno agreed. Jamir stated that if these municipalities already have the information in Microsoft, and it can simply be imported into Brown County's system, that is what should be done.

Ruenzel responded that more and more counties are going to the system that Brown County currently uses and if we have to set up downloads or uploads in Brown County for all sorts of ways of handling data, she does not know where it would begin or end with having the vendor try to satisfy all of these needs. Ruenzel stated that she is satisfied with the municipalities using their own systems, but what she is saying is that the County can be compensated out of the dog fund to recover the costs incurred in entering the data.

Schadewald asked if the fee that is being discussed would be necessary if it was determined that the Village of Howard could hit a send button with the necessary information and Brown County could push an enter button to import the data. Ruenzel stated that because of the extra expenses of entering the information, the County would be taking 50 cents from the dog fiduciary funds and moving them to the County Clerk's office to cover the cost for everyone and therefore all municipalities would be subsidizing the municipalities that do not currently use the system.

Jamir indicated that he wished to have some of the verbiage clarified in the resolution as it is currently written. He continued that there are taxes versus fees and statutes that allow for supplies and he asked if the resolution as it is currently written meets the statutes. Ruenzel stated that the resolution did, of course, meet the statutes and further, she would never write a resolution or opinion that is contrary to the statutes. Ruenzel felt that the confusion at the last meeting centered around the fees versus taxes. She continued that there are statutory sections that allow for recoupment of expenses and what is being discussed now is expenses, not fees or taxes. She also stated that there is another place in the statutes that talks about the 50 cent charge which is allowed by statutes. Ruenzel felt that if there was a way, as Schadewald described, to push a button in the Village of Howard and for Brown County to push a button to import the information in the County system, there would be no need for this resolution.

Schadewald asked how Brown County's dog license compares to other counties. Ruenzel stated that she is not sure how this is handled in other communities. She continued that what happens is that they expense out the dog fee and what is left is refunded to the municipalities at the end of the year. Consideration is given to those Counties that have a County Humane Society and she also noted that there are funds collected to pay for damages done by dogs in the community.

Supervisor De Wane asked how this was done in the past before Brown County started to use the current software. Juno stated that prior to the software, every municipality was doing it differently; some was on paper and some was done electronically. De Wane felt that what the City of Green Bay had been doing was successful and was never a problem in the past and now what is being proposed is going to cost the City of Green Bay a lot of money.

De Wane continued that he had talked to the City Clerk and the County Clerk and there appeared to be some discrepancies as to this. Ruenzel stated that the City has access to the County software. De Wane asked if the County sent information to the City on this software and Juno stated that she sent information to all municipalities. Ruenzel stated that it is County software that all of the municipalities have access to; no municipality would have to purchase any additional software.

Schadewald asked if all of the other counties bought the software. Juno clarified that Brown County has purchased the software for County-wide use, however, the Village of Howard and the City of Green Bay continue to enter the dog information in their own systems. Juno stated that those municipalities can enter the information into the County system at no cost but they choose not to.

Jamir indicated that he appreciated the explanations of the verbiage as he was confused with the last draft of the resolution. He would like to find out if the current software can or cannot accept a simple spreadsheet and he would like to come to common ground with Howard and Green Bay.

Schadewald asked if Brown County has provided training to the municipalities on this software. Juno responded that the vendor went to all of the municipalities and conducted training at no cost to the municipalities. Schadewald felt that the question is what is the issue for Howard and Green Bay to use the program provided to enter data that has to be entered anyway? Juno responded that if all municipalities would enter into the system the dog tax would stay the same as 50 cents per tag as it has been for a number of years. If the Brown County Clerk's office has to enter for the City of Green Bay, Village of Howard or any other municipality that chooses not to, then the Clerk's office has to raise the tax to recoup the labor cost and that is the purpose of this resolution.

De Wane felt that Green Bay has been entering their information in the same manner for quite some time and questioned why this is now becoming an issue. Juno responded that it has become more labor intensive to enter the information of those municipalities that do not enter their own information directly due to the new software and she feels that the labor should be paid for out of the expense account of the dog fund and not from property taxes. Schadewald indicated that he appreciated Juno's attention to keeping the taxes low and stated that he felt she is doing what she is supposed to be doing.

Juno continued that this software went into effect in 2014. She stated that when the municipalities were notified about the software, they were invited to provide feedback, however, she does not recall any communication coming from the Village of Howard until recently.

Supervisor Van Dyck asked how the information was entered into the system prior to the new program being implemented in 2014. Juno responded that prior to the program they are currently using, there was no uniform system. They had to go through 24 different formats that were submitted to their office and had to manually compile it into a spreadsheet. Van Dyck asked if overall the current program requires more or less work to use. Juno stated that the new system creates more work than the old system because of the work they have to do for the municipalities that do not use the system.

Fewell stated that the Brown County Clerk is now required to do the work for the municipalities that does not do it themselves. Van Dyck stated that he understood that, but wondered how switching to the new system which is supposed to be more uniform takes more effort than the previous system of compiling data from 24 municipalities. Fewell responded that now the Clerk's office has to enter the information for the two largest municipalities in the County. Juno stated that in the past, how they handled the data to compile it depended on how it was submitted to the Clerk's office.

Van Dyck stated that his recommendation to the communities he represents would be to stop entering the data and give it to the County Clerk to enter since they have to do it anyway and are making the municipalities pay.

Juno stated where she struggles is that the money goes into the dog fiduciary fund. It is there to pay for expenses and claims against the County for dog damage. After all of the taxes and expenses are paid, what is left goes back to the communities. What it boils down to is if the Clerk's office should continue doing the work out the property taxes of Brown County or out of the dog fund.

De Wane wants time to speak with the Clerk of the City of Green Bay and see why they do not wish to enter the information into the system themselves before he makes a decision on this.

**Motion made by Supervisor De Wane, seconded by Supervisor Jamir to hold for one month.
Vote taken. MOTION CARRIED UNANIMOUSLY**

Corporation Counsel

9. Monthly Report for August, 2014.

**Motion made by Supervisor De Wane, seconded by Supervisor Jamir to receive and place on file.
Vote taken. MOTION CARRIED UNANIMOUSLY**

Child Support

10. Budget Status Financial Report for August, 2014.

Motion made by Supervisor De Wane, seconded by Supervisor Schadewald to receive and place on file. Vote taken. MOTION CARRIED UNANIMOUSLY

11. Director Summary.

Child Support Director Maria Lasecki reported that for the participants who have completed the SPSK program, 93% are currently employed. She also noted that the *Green Bay Press Gazette* will be running a story on the program that should appear in the paper very soon.

Lasecki concluded her report by indicating that she will be presenting at a conference in Cable Wisconsin on both the SPSK program and the LEAN program.

Motion made by Supervisor De Wane, seconded by Supervisor Schadewald to receive and place on file. Vote taken. MOTION CARRIED UNANIMOUSLY

Department of Administration

12. Budget Status Financial Report for August, 2014.

Motion made by Supervisor De Wane, seconded by Supervisor Schadewald to receive and place on file. Vote taken. MOTION CARRIED UNANIMOUSLY

13. Budget Adjustment Log.

Motion made by Supervisor Schadewald, seconded by Supervisor De Wane to receive and place on file. Vote taken. MOTION CARRIED UNANIMOUSLY

14. Director's Report.

Director of Administration Chad Weininger stated that there were several things he wanted to bring the Committee's attention to. He stated that the Green Bay Police Department administers the Homeland and Port Security Grant and Brown County Emergency Management helps run it. Weininger indicated that the City of Green Police Department closed out the grant prior to Brown County Emergency Management submitting unpaid invoices, even though the Police Department knew of the outstanding invoices. Unused grant dollars go back into the general fund for the federal government and Weininger has been working with the congressional delegation to see if there are any additional excess dollars available to cover the shortfall. The problem is that once a grant is closed down, it is typically over and done with.

De Wane wanted to know how or why the Green Bay Police Department would have closed out the grant before the bills were taken care of. Weininger noted that there is a new employee at the Police Department assigned to dealing with the Homeland Security grant and this person apparently was given the order to go ahead and close out the grant and that is what was done.

Schadewald wanted to know how it got to the point of the City closing out the grant without communicating with the County. Weininger stated that generally what happens is when the grant is put out, everyone knows what the approximate expenditures will be and what invoices will need to be paid. The goal then was to submit the invoices to the City as soon as they were paid by Brown County, however as the County was in the process of submitting the bills, the City closed out the grant. In talking with City personnel, Weininger found their position to be that when the grant was closed, it was closed and either the County had submitted the bills or they did not.

Brown County Emergency Management Director Paul Gazdik reported that the County received the grant award letter in October, 2011 and noted that this was a three year grant. Brown County purchased the items they desired on the grant in 2012 and the Green Bay Police Department was advised of this. There was a question if the invoices were paid and it was indicated that the invoices would be paid the following week. Brown County was then informed by the Green Bay Police Department that the grant was for a period of 2 ½ years and not three years. Gazdik continued that usually the fiscal agent is a State agency however in this grant the fiscal agent happened to be the Police Department. He stated that there have been difficulties with the Homeland Security grant in the past and noted that Brown County wrote most of the grant.

Schadewald stated that his experience in grant writing is that the entity that writes the grant is also typically the fiscal agent of the grant, however, Gazdik stated that that is not always necessarily the case.

Schadewald asked what amount of money was involved and Weininger responded that it was a little over \$50,000 and reiterated that he has been working with the congressional delegation to attempt to find ways to cover this and they are also exploring several other options including reaching out to the federal government as well as the possibility of using remaining funds from a special HAZMAT fund that exists.

Weininger stated that the City of Green Bay knew there were outstanding invoices but is saying that they did not receive the final bill marked paid prior to the grant being closed out. De Wane asked if the City checked with the County to see if the bills were paid and Gazdik answered that they did not.

Schadewald indicated that in the future he would like to see the County take control of grants that they have written and if that is not possible then he would like to see the State become the fiscal agent. Gazdik also noted that this grant was a match grant and this typically works out pretty good, however, in this instance this rather large issue arose.

Weininger will keep the Committee advised of this situation and the attempts that are being made to offset the costs.

Jamir asked if there was a process in place so that this situation does not arise again. Gazdik responded that since this was a match grant it is unlikely that this would happen again. Jamir asked if the process was part of the grant or if the process was within our own system. Gazdik responded that there is a system in place in his office to help ensure that this does not occur again and also stated that this is an isolated incident.

Jamir asked if the worst case scenario for financial impact is \$53,000 and Gazdik stated that it was. He also stated that this grant has allowed the County to obtain some very beneficial things that the County would not have otherwise been able to afford. One of these things is a reverse 911 system and funds were also used to purchase an application system for sheriff's officers to use in identifying fake IDs.

Fewell noted that this incident happened before Chad Weininger was hired on as the Director of Administration. Weininger noted that he wanted to bring this to the Committee's attention in order to be transparent.

The second item Weininger wished to bring to the Committee's attention was with regard to the Veterans Department. He noted that an audit had recently been conducted by the State and some deficiencies were found and resulted in the loss of a \$10,000 grant. Weininger explained that the Veterans Service Office budget all washes into one fund, so donations and grant money all goes into one pot. One of the deficiencies occurred when the Veterans Service Officer hired a band to perform at the Veterans Appreciation Day at the Fair event. He took the band out for lunch and several of the band members had alcoholic beverages. Weininger continued that State and County policies prohibit the purchase of alcoholic beverages with these funds. The purchase of the beverages sent up a red flag with the State. To alleviate this in the future, Weininger indicated that they will be breaking the State grant out and designate it for salary and training.

The second item found during the audit was with regard to an automobile that had been donated to the Veterans Office by NWTC. Veterans Service Officer Jerry Polus uses this vehicle to travel to meetings and other related functions, but it was also found that he would take the vehicle back and forth from his home to the office and other locations. Weininger stated that the policy was changed to be sure that mileage was appropriately logged and reported to Human Resources and billed as a benefit.

Weininger stated that administration has responded to the Department of Veterans Affairs and is in the process of trying to get the grant funds back and he also indicated that he did not anticipate any similar problems to occur again in the future.

Fewell was frustrated with this and Weininger stated that the Department of Veterans Affairs audited all counties, not just Brown County and reiterated that they are in the process of attempting to get the grant reinstated.

The final issue Weininger brought up was with regard to bond disclosures. He stated that given the number of bankruptcies that have occurred in government municipalities, the Securities and Exchange Commission is asking municipalities to ensure proper disclosure of bond documents. Municipalities that are issued bonds are required to provide proper disclosure within 10 days to EMMA (Electronic Municipal Market Access) which is basically a place for investors to go to look at bonds of municipalities.

Weininger continued that the necessary disclosures include general audit financial statements and any material facts such as defaults in payments or decreases in bond ratings. Weininger continued that the County has until December 1 to voluntarily disclose any failures without fine. After December 1, the County could be subject to a large fine and other actions in the event material deficiencies are found. Weininger stated that the County's underwriter did self-report that in 2005 that a disclosure was not provided, however, there was a typo on the date and there was not enough time to correct the error in a timely fashion. That report was sent to the SEC which will raise a red flag.

Weininger continued that it is his strong recommendation to have bond counsel review past bond disclosure documents to identify any possible issues so that the County Board can decide at their November meeting whether or not to self-report. Weininger continued that the question would be whether or not there is any material affect. Weininger said that in 2007, 2008 and 2009 the County was a few days late in reporting the CAFR. He noted however that this was not considered to be material. Weininger is saying that the decision of whether or not to self-report should be made by the County Board. Schadewald asked why Weininger felt that the decision to self-report should be made by the Board as he felt that the Board should have a policy that administration should be reporting properly.

Weininger continued that right now there is a lot of concern of municipalities reporting deficiencies so the SEC wants the underwriters and municipalities to report any large material affects that should be reported. Weininger reiterated that the County underwriters looked over past documents and submitted a deficiency, but it contained a typo, however, the typo could be justified but there was not enough time to fix it so the SEC noted that Brown County had a deficiency. Now that there is a time period to self-report with no penalties, Weininger felt that bond counsel should go through everything thoroughly to see if there are any other issues and, if there are, if they should be self-reported if they are determined to be material. Schadewald stated that this basically sounded like a period of amnesty and Weininger agreed.

Weininger would like to bring any deficiencies that are found to the County Board so a determination can be made as to whether the deficiencies are material and if they should be self-reported. Weininger is bringing this up as a matter of transparency.

Fewell felt that the County is relying on bond counsel to make sure that the documentation is done correctly. Weininger stated that bond counsel does a portion of it and the disclosure piece of it is done by the County's financial managers. Weininger stated that in 2010 or 2011 it was made part of the contract for financial managers to provide the financial disclosure. Fewell asked if there is a disclosure that does not happen, and the County gets penalized or fined, if there is any way to recoup that. Weininger stated that he would have to check into this. He continued that typically bond counsel's statements say that they believe the information to be true and submitted by Brown County. Fewell asked if bond counsel has the responsibility to gather the information because he wants to be sure he knows whose problem this is. If it is the County's responsibility, then it needs to be fixed, but if it falls on someone hired by the County to do the work and it is not done correctly and accurately, then the County needs to be protected.

Weininger reiterated that it is his recommendation to have bond counsel go through all of the information and advise if there are any material issues. If any fines were to be assessed, they would be assessed against the County by the FCC. Fewell asked if this review could be done prior to the next meeting and Weininger responded that the County has until December 1 to self-report so it would have to be approved at the November County Board meeting. Weininger stated that it was possible that bond counsel would come back with no material defects and therefore there would not be a need to self-report anything. Fewell asked if additional funds would be needed to have bond counsel go through the documents and information and Weininger stated that that would not be necessary as there are funds available in professional services for this. He felt that this was one of those times where the County should rely on outside experts to see whether they feel there are any material deficiencies. He felt this was especially prudent as the County has already been red flagged.

De Wane stated that he felt that this should have been up to Baird and De Wane felt that they should have been working harder. Weininger responded that Baird is no longer working for the County.

Schadewald asked Weininger if he was prepared to go through this with the full County Board. Weininger understood his concerns regarding the Board floor and realizes it could create problems, however he believes more that this needs to be transparent and if there is anything that should have been reported and was not, that the fines and bad publicity for the County far outweigh the problems of taking this to the Board floor. He also reiterated that there is definitely the possibility that no material defects will be found. Weininger also noted that bond counsel would be present at the County Board meeting to give their recommendations.

Schadewald stated that he felt this should be handled by having this Committee vote on a motion that administration reports all findings to the Committee by December 1. He does not see any reason why the County would choose not to self-report.

Weininger suggested the possibility of having a special Administration Committee meeting prior to the County Board meeting which would be attended by bond counsel to report findings and then go to the Board floor. He will not know the findings until the information is gone through with a fine tooth comb. Weininger continued that the only finding he is aware of is the one he spoke of earlier. As far as being late on the CAFR, Weininger noted that it had been disclosed that the reporting was late and therefore, since it was reported, it is not considered to be material. Weininger wanted to be sure the County was doing their due diligence.

Schadewald felt that as long as there was amnesty until December 1, anything that is found should be reported.

Jamir asked if there was a policy as to how to move forward on this and if there would be a financial impact. Weininger responded that there would probably be dollars spent on doing this, however, he has dollars in his budget to cover the expenses so he would not need a motion to move forward. Jamir stated that it appears that Weininger is doing his job per policy of reporting anomalies to the Committee and Jamir felt that it would be prudent to report anything that is discovered.

Fewell agreed that it would be prudent to do the review and report anything that is found. Weininger stated that to report to the SEC he will need full Board approval along with sign off by the County Executive. If there are findings that need to be self-reported, he will need approval of the full Board. Jamir stated it did not appear that Weininger was asking for the Board to make the decision as to self-report or not. Weininger responded that he would be looking for a recommendation from bond counsel as to whether it is in the County's best interest to report or not report and that decision would then go to the County Board. Weininger said again that there is a possibility that nothing will be discovered that would need to be reported. Jamir felt the County was stuck between a rock and a hard place and in the spirit of transparency he felt that everything should be reported.

De Wane commented that he felt Weininger was doing his best to keep things transparent and the Board did not get that in the past. De Wane felt that the Board would see more and more of this type of thing from Weininger and he was happy to have Weininger as the Director of Administration as he felt that things would run more transparently with him.

Schadewald asked Weininger if he knew what other municipalities were doing in this regard and Weininger responded that he did not.

Fewell stated that he appreciated Weininger's transparency. Weininger stated that he will keep in contact with the Chair of this Committee on this issue.

Jamir raised a question under Weininger's Director's Report related to KRONOS and wanted to know if the Department of Corrections and Public Safety are the last two departments to be on the KRONOS system. Weininger responded that there was a timeline, however, he did not have it with him, although he would be happy to provide the same to Jamir. He stated that the project is scheduled to be concluded by the end of 2015 as the project had to be put on hold several times last year. Jamir felt that not having the KRONOS project completed in a timely manner could be costing the County additional dollars.

Motion made by Supervisor De Wane, seconded by Supervisor Schadewald to receive and place on file. Vote taken. MOTION CARRIED UNANIMOUSLY

Treasurer - No agenda items.

15. Audit of bills.

Motion made by Supervisor Schadewald, seconded by Supervisor Jamir to pay the bills. Vote taken. MOTION CARRIED UNANIMOUSLY

16. Such other matters as authorized by law.

b. Discussion regarding setting the date and time for the Administration Committee Budget Meeting.

A discussion was held as to when to hold the Administration Committee budget meeting and it was decided to hold the budget meeting together with the regular Administration Committee meeting on October 23, 2014 beginning at 5:30 p.m. in Room 200 of the Northern Building.

17. Adjourn.

Motion made by Supervisor Schadewald, seconded by Supervisor De Wane to adjourn at 7:07 p.m. Vote taken. MOTION CARRIED UNANIMOUSLY

Respectfully submitted,

Therese Giannunzio
Recording Secretary

September 17, 2014

TO THE HONORABLE CHAIRMAN AND MEMBERS
OF THE BROWN COUNTY BOARD OF SUPERVISORS

Ladies and Gentlemen:

**RESOLUTION TO INCREASE ASSESS A CHARGE
FOR DATA ENTRY OF DOG LICENSES TAX**

Comment [JSL1]: Amend title

WHEREAS, the State of Wisconsin has chosen to set the minimum tax for dog licenses at \$3.00 for a neutered male dog or spayed female dog and \$8.00 for an unneutered male dog or unsprayed female dog; and \$35.00 for multiple dog licenses (kennels with 12 or fewer dogs); and

WHEREAS, Wis. Stat. §174.07 requires the County Clerk to distribute tags and license forms and conduct other administrative activities associated with the dog license program and Wis. Stat. §174.09(2) provides a county may recover expenses incurred in purchasing supplies required in administering and administration for the dog license law program; and

WHEREAS, Wis. Stat. §174.05(3) authorizes a county to increase the dog license tax on dogs within its jurisdiction; and

WHEREAS, Brown County has implemented a new software program for universal access to the dog license information by the public safety department and the surrounding communities, which software makes it easy for the cities, villages and towns to enter the dog licensing information needed by the County Clerk for her to carry out her duties under the State Statutes, and for public safety to do their jobs in accessing said information relating to dogs; and

Comment [JSL2]: Add text

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29 WHEREAS, the County Clerk finds that there is an additional expense in the County
30 Clerk's Office being incurred when the cities, villages and towns within Brown County fail to
31 use the County's database system to enter said licenses from their communities into the universal
32 system, but rather submit the data in another format, resulting in the County Clerk Office
33 needing to input all the data from that community in order to have complete records as required
34 by the State of Wisconsin; and

35 WHEREAS, the ~~County Clerk has found that the~~ dog license tax amount ~~is currently~~ set
36 at ~~\$3.50~~ ~~\$3.50~~ ~~\$4.50~~ for a neutered male dog or spayed female dog, ~~\$8.50~~ ~~\$9.50~~ ~~\$8.50~~ for an
37 unneutered male dog or unsprayed female dog, and ~~\$36.50~~ ~~\$37.50~~ ~~\$36.50~~ for multiple dog
38 license, is ~~insufficient~~ ~~insufficient~~ to cover the costs of ~~administering the County Clerk's Office~~
39 ~~to take the time in entering said dog licensing law data for the communities unwilling to use the~~
40 ~~universal system;~~ and

41 ~~WHEREAS, the County Clerk's office finds it is necessary to increase, the dog licensing~~
42 ~~tax and requests that the County Board approve an increase of increase \$1.00 per dog license~~
43 ~~setting the dog license tax at \$4.50 for a neutered male dog or spayed female dog, \$9.50 for an~~
44 ~~unneutered male dog or unsprayed female dog, and \$37.50 for multiple dog license.~~ WHEREAS,
45 ~~to cover administrative costs in the data entry of the communities unwilling to use the County's~~
46 ~~universal dog licensing system, the County Clerk's Office has determined that there is a need for~~
47 ~~an additional charge of \$1.00 per license entered by the County Clerk's Office for those~~
48 ~~communities.~~

49 NOW, THEREFORE, BE IT RESOLVED, that the Brown County Board of Supervisors
50 ~~increases the dog licensing tax \$1.00 per dog license setting the dog license tax at \$4.50 for a~~
51 ~~neutered male dog or spayed female dog, \$9.50 for an unneutered male dog or unsprayed female~~

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Comment [JSL3]: Change tax

Comment [JSL4]: Change tax

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Comment [JSL5]: Change tax

Comment [JSL6]: Change text

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Comment [JSL7]: Delete paragraph

52 ~~dog, and \$37.50 for multiple dog license, finds that the County Clerk's office has additional costs~~
53 ~~associated with the need to enter data into the universal software system for dog licensing, when~~
54 ~~a community refuses to use the County's system.~~

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Comment [JSL8]: Delete text

55 ~~BE IT FURTHER RESOLVED, that an additional charge of \$1.00 per license entered by~~
56 ~~the County Clerk's Office, be assessed on those communities failing to use the universal system~~
57 ~~for data entry, which charge shall offset the additional costs of the County Clerk's Office.~~

Comment [JSL9]: Delete paragraph

58
59 BE IT FURTHER RESOLVED, that the ~~revised dog license tax~~ additional \$1.00 charge
60 shall be effective beginning with the licensing year of 2015.

Comment [JSL10]: Change text

61
62 Respectfully submitted,

63
64 ADMINISTRATION COMMITTEE

65
66
67 Approved By:

68
69
70 COUNTY EXECUTIVE

71
72 Date Signed: _____

73
74 Final Draft Approved by Corporation Counsel

75
76
77 Fiscal Note: This resolution transfers taxes from expenses of the Dog License Fiduciary
78 Fund to the County Clerk's Dog Licensing revenue account estimated at \$8,500 in the 2015
79 Budget thereby decreasing property taxes does not require an appropriation from the
80 General Fund.

Comment [JSL11]: Amend Fiscal Note

81
82
83 BOARD OF SUPERVISORS ROLL CALL # _____

Motion made by Supervisor _____

84 Seconded by Supervisor _____

SUPERVISORS	DIST.	AYES	NAYS	ABSTAIN	EXCUSED
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SUPERVISORS	DIST.	AYES	NAYS	ABSTAIN	EXCUSED
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SIEBER	1				
DE WANE	2				
NICHOLSON	3				
HOYER	4				
GRUSZYNSKI	5				
HAFFS	6				
ERICKSON	7				
ZIMA	8				
EVANS	9				
VANDER LEEST	10				
BUCKLEY	11				
LANDWEHR	12				
DANTINNE, JR	13				

Total Votes Cast _____

Motion: Adopted _____ Defeated _____ Tabled _____

LA VIOLETTE	14				
KATERS	15				
KASTER	16				
VAN DYCK	17				
JAMIR	18				
ROBINSON	19				
CLANCY	20				
CAMPBELL	21				
MOYNIHAN, JR.	22				
STEFFEN	23				
SCHADEWALD	24				
LUND	25				
FEWELL	26				

Interoffice Memo

TO: Administration Committee
FROM: Juliana M. Ruenzel, Corporation Counsel
SUBJECT: Dog License Tax
DATE: September 25, 2014

ISSUE

Whether Brown County may charge an additional tax/fee for data entry of dog licenses to those communities which refuse to use the County's universal software for dog license data entry, resulting in the staff for the County Clerk's Office having to enter the data into the system in order to fulfill State reporting requirements?

FACTS

Brown County Clerk is responsible for handling over 12,000 dog licenses in the County annually and in an attempt to reduce the numerous staff hours of labor lost accounting for all 24 municipalities' (towns, villages and cities) dog licenses, Brown County purchased the Pet Program software so that all 24 municipalities reporting would be using the same electronic format for entering dog licenses. When the municipalities use the Pet Program software, they will be fulfilling their reporting requirements to the County Clerk. This uniformity of data entry helps to provide public access in real time, allows the public safety officer and dog shelters to identify and locate dog owners, as well as serves to ascertain if dogs have had their rabies vaccination in the event an individual is bitten. Further, this program generates reports in a format that is advantageous in saving time for the County Clerk at the end of the year to comply with the State reporting requirements for payments and refunds. The County Clerk finds the program is necessary in order to administer the state dog license tax in producing the required reports on tag issuance, calculation of fees, tracking expenses and processing municipal refunds. This program was implemented in order to have an accurate accounting, but requires the towns, villages and cities or the County Clerk's office to enter the data into the Pets Program software.

In 2013, the County informed the municipalities that this system would be going into effect and would be the process for recording and storing dog license records beginning in 2014 going forward. The Brown County Clerk, Sandy Juno, desires to have an added fee/tax charged to those municipalities refusing to use the County software in order to cover any additional administrative costs to her department.

The Village of Howard does not agree with how the countywide dog licensing was setup and feels it is a little over the top. The Village has found that the new County program does not allow uploading of data from other programs. They desire to continue to use their own system of reporting and allege that their staff does not have time to manually input the data into the County's system as they have over 800 licenses. The Village feels it is unfair to require them to participate in a County program which they did not request to be a part of, and now requests that

no deduction be made to their refunding of license revenue for 2014 and beyond as this was not their choice, but rather Brown County's. The Village of Howard believes that Brown County cannot require them to provide the County with dog license information in a format Brown County chooses, nor can Brown County charge the Village to input the data.

ANALYSIS

1. TAXES VERSES FEES

To understand the analysis it is necessary to understand the distinction under the law between taxes and fees, and which is at issue in this matter. "[A] tax is one whose primary purpose is to obtain revenue, while a license fee is one made primarily for regulation and whatever fee is provided is to cover the cost and the expense of supervision or regulation." State v. Jackman, 60 Wis. 2d 700, 707, 211 N.W.2d 480 (1973); Milwaukee v. Milwaukee E. R. & L. Co. 147 Wis. 458, 133 N. W. 593; State ex rel. Attorney General v. Wisconsin Constructors (1936), 222 Wis. 279, 268 N. W. 238; Fitch v. Wisconsin Tax Comm. (1930), 201 Wis. 383, 230 N. W. 37.

In determining what is at issue, the state statutes are reviewed. In reading state statutes the rule is that the legislature is aware of the terminology it uses. The presumption is "[a] legislature say in a statute what it means and means in a statute what it says there." State ex rel. Kalal v. Circuit Court for Dane County, 271 Wis. 2d 633, ¶39, 681 N.W. 2d 110 (2004). In dealing with dog licenses, the state statutes, by the plain reading of the words of the statute, refers to a tax referencing "Dog License Tax," and the word "tax" is used in the body of the text. **Wis. Stat. §174.05**. If the County were talking about a fee situation, than the statute would reference fee in the body of the text. In looking at the statute in question, it does not authorize a fee to be assessed for administrative data entry or any compilation of reports by the County Clerk's office. Therefore, I conclude that the County is dealing with a tax when looking at the plain reading of the statutes in question, and taxes are used to obtain revenue.

2. DOG LICENSE TAX

The state statutes sets the minimum dog license tax under Wis. Stat. §174.05 (2). However, they then go on and authorize the County to raise the minimum dog license tax within its jurisdiction with an additional tax.

(3) ADDITIONAL TAX. The governing body of any county may by a majority vote of the members present at any regular meeting raise the minimum dog license tax on dogs within its jurisdiction..... **Wis. Stat. §174.05 (3)**.

Therefore, the County has the statutory authority to increase the dog license tax within its jurisdiction and may do so to obtain revenue. The question then is whether the tax may be implemented and imposed on select communities which do not enter their data into the uniform County software, thereby increasing the labor costs for the County Clerk's Office as they will be required to enter the data in order to have accurate reports.

3. UNIFORMITY CLAUSE

The Wisconsin Constitution Art 8 sec. 1, the Uniformity Clause states that all property within a class must be taxed on an equal basis and consistent with justice. Appeal of Van Dyke, 259 N.W. 700, 217 Wis 528 (1935). Although there is a requirement of uniformity in taxing property, there is a right to select some property for taxation and to totally omit or exempt other property provided that there is a distinction between taxed and wholly exempt property where there must bear a reasonable relation to a legitimate government purpose. Northwest Airlines Inc. v. WI Department of Revenue, 717 N.W. 2d 280, 293 Wis. 2d 202 (2006). In other words, having different tax rates for different classifications is allowed when a tax classification has a reasonable relation to a legitimate governmental purpose.

In the case before the County, one could argue there are two classes here, one class that does the entry of licenses into the Pet Program software and another class that does not do the entry. As long as those within the class are treated equally then there can be a distinction in the taxing. And that is what is being proposed here, that there are two different classes of communities in data entry, and that a tax be proposed on one class and not the other. Although I address this issue under the Uniformity Clause, I dismiss this analysis as it is inapplicable to the situation and tax at hand, that is because the Uniformity Clause only applies to property taxes. Jordon v. Menomonee Falls, 28 Wis. 2d 608, 622, 137 N.W.2d 442 (1965). A dog license tax is for the privilege of owning a dog and is not considered a direct tax on property, but rather a privilege tax. Privilege taxes are not direct taxes on property and are not subject to the uniformity rule. Gottlieb v. Milwaukee, 33 Wis.2d 408, 424, 147 N.W.2d 633 (1967); State ex rel. Ft. Howard Paper Co. v. State Lake Dist. Board of Review, 263 NW2d 178, 82 Wis. 2d 491 (1978). Although privilege taxes are not subject to the Uniformity Clause, they are subject to Equal Protection Clauses. (This issue was only raised here under this opinion as I received verbal questions on its applicability to the issue at hand)

4. EQUAL PROTECTION

The Equal Protection Clause of the State Constitution does allow classification based upon substantial distinctions which make one class really different from another. Disparate treatment of certain classes of taxpayers is permissible if there is a reasonable basis for that treatment. State ex rel La Follette v. Torphy, 85 Wis.2d 94, 100, 270 N.W.2d 187, 189 (1978). The test is reasonableness and fairness, there can be no discrimination. Taxing must act alike on all that are similarly situated. And therefore, based on the classification, if substantially distinct, there may be different tax rates that apply.

Under the equal protection analysis, the question is raised as to whether there are truly different distinct classes? All town, villages and cities are applying the dog license tax. All are collecting the dog license tax and reporting to the County. The class distinction that is being made to justify a higher tax for some communities is based on whether the community is entering the data into the County's software program or not. Although, there appears to be a difference in the towns, villages and cities form of reporting to the County, there is not a significant distinction in class as to the dog license itself. Under the law, the state statutes do not allow a tax for data entry, but rather for dog licensing, so therefore, the distinction in the class would have to be the dog licensing distinction, not the data entry distinction, to justify any disparity of treatment between

communities in the tax rate. The distinction drawn would have to be something similar to what the state did when the state made this distinction statutorily setting different dog license tax rates for neutered or spayed dogs at a lower rate than the unneutered or unspayed dogs. **See Wis. Stat. 174.05 (2).** That being said, the County does have the authority to increase the dog license tax, but any increase without the class distinction would have to be equal to all communities in order not to violate the Equal Protection Clause.

5. CHARGES FOR SOFTWARE

The Village asked that they not pay anything for the countywide system and ask that no deductions be made from their refunding revenue. However, the State Statutes do allow for the recouping of the expenses incurred for administering the dog license law.

(2) [E]xpenses necessarily incurred by the county in purchasing and providing books, forms and other supplies required in administering the dog license law,...may be paid out of the dog license fund. **Wis. Stat. 174.09 (2)**

Although the law does not specifically address software, software is a supply that is used to administer the dog license law, which the County Clerk has found necessary in fulfilling her reporting requirements, and therefore, any costs assessed for the software program as a supply required in administering the dog license law, should be paid, proportionately with the other communities out of the dog license fund, and the Village of Howard should be assessed their fair share of that expense.

6. MANDATED USE OF SOFTWARE

The Village of Howard alleges that Brown County cannot require the Village to use the County's software program as the statutes do not authorize the mandated software use for reporting. The listing official for all towns, villages and cities do have a duty to report the dogs in the district subject to tax and shall deliver that listing to the county clerk. **Wis. Stat. §174.06.** "The report shall be in the form prescribed by the department (Agriculture, Trade and Consumer Protection Department, hereinafter "ATCD"), and the forms shall be furnished by the county clerks." **Wis. Stat. §174.08 (1).** The form prescribed by the department of Agriculture, Trade and Consumer Protection, and the Pet Program do contain the same information but in a slightly different format. As the reports must be in the form prescribed by the ATCD, and the ATCD does not require the use of the Pet Program software, I conclude that the County cannot mandate the use of the software program. Therefore, Brown County can require the Village of Howard to use the form prescribed by the ATCD, but cannot require the use of the County software program for data entry.

7. VALUE OF THE PET PROGRAM SOFTWARE

There appears to be great value by using the Pet Program software which the County is requesting of the surrounding communities. If the towns, villages and cities use the County's uniform software program this will reduce the numerous Brown County staff hours of labor lost accounting for all 24 municipalities' dog licenses, which amounts to approximately 12,000 licenses annually. The uniformity of all dog information in the same system provides public access in real time and allows the public safety officer and dog shelters to identify and locate dog

owners for lost dogs, as well as serves as a means to ascertain if dogs have had their rabies vaccination in the event an individual is bitten. In addition, this program assists the County Clerk in the responsibilities of maintaining State reports regarding dog licensing and to ensure the collection and distribution of funds. **Wis. Stat. §174.07(3).**

On the other hand, if the towns, villages and cities choose not to use the County software program, that will result in increased costs to Brown County in their statutory duties under the dog licensing statutes, as the Brown County Clerk's office will have to use their staff to enter all the licenses in order to fulfill the duties of the office regarding dog licensing.

Very truly yours,

Juliana M. Ruenzel
Brown County Corporation Counsel